

**Before the**

**FEDERAL COMMUNICATIONS COMMISSION**

**Washington, D.C. 20554**

## In the Matter of

Developing a Unified Inter-carrier Compensation Regime ) CC Docket No.01-92  
)

## REPLY COMMENTS OF ONSTAR CORPORATION

OnStar Corporation hereby submits these reply comments in response to the Commission's Public Notice released March 3, 2005 in the above captioned matter.

OnStar notes that this proceeding may become the vehicle for resolving pending issues associated with universal service funding. OnStar has previously commented on universal service funding and incorporates by reference its filings in that docket.<sup>1</sup>

OnStar continues to support a revenue-based system with safe harbors as fair and statutorily acceptable. By contrast, number and connection based funding schemes place a disproportionate burden on low priced, low call volume services. Moreover, as noted in the referenced OnStar filings, a revenue based system can segregate local and interstate and international calling for appropriate treatment.

<sup>1</sup> See OnStar Comments CC Docket No. 96-45 filed April 22, 2002 and OnStar Reply Comments CC Docket No. 96-45 filed May 13, 2002

Finally, for prepaid interconnected calling, a connection or number based system is administratively infeasible for some systems such as OnStar Hands-Free Calling which do not have the capability to determine month-end unused minute status. This issue has been recognized and addressed in the context of E-911 fees at the state level where prepaid wireless calling services have been accorded revenue-based treatment.<sup>2</sup>

OnStar appreciates consideration of its views in this matter.

Respectfully submitted,

Bonita Lewis Bell  
Counsel for OnStar Corporation  
313-665-4730

William L. Ball  
Vice President-Public Policy  
313-665-2797

Mail Code 482-D39-B32  
400 Renaissance Center  
P.O. Box 400  
Detroit, MI 48265-4000

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<sup>2</sup> See for example Ohio Revised Code (2005) Section 4931.61(A)(3)